

HOUSE BILL No. 1237

DIGEST OF INTRODUCED BILL

Citations Affected: IC 21-18.5-4-3; IC 21-48.

Synopsis: Teacher academy. Allows the commission for higher education (commission) to enter into an academy agreement with one state educational institution for the establishment and operation of a teacher academy. Requires the commission to issue a request for proposals from state educational institutions before entering into an academy agreement. Establishes requirements for the request for proposals. Requires that certain terms and conditions must be included in an academy agreement. Establishes a teacher academy grant program to provide grants to eligible applicants for the cost of tuition and fees to attend the teacher academy. Establishes the teacher academy fund to provide funds: (1) to a state educational institution for the costs of establishing and operating a teacher academy; and (2) for teacher academy grants awarded by the commission.

Effective: July 1, 2016.

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January 11, 2016, read first time and referred to Committee on Education.



Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1237

A BILL FOR AN ACT to amend the Indiana Code concerning higher education.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 21-18.5-4-3, AS AMENDED BY P.L.46-2014,
2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]: Sec. 3. For purposes of administering this chapter, the
4 commission shall do the following:

5 (1) Prepare and supervise the issuance of public information
6 concerning this chapter, IC 21-12-2, IC 21-12-3, IC 21-12-4, and
7 IC 21-12-5.

8 (2) Prescribe the form and regulate the submission of applications
9 for higher education awards and the commission's programs.

10 (3) Conduct conferences and interviews with applicants as
11 appropriate.

12 (4) Determine the eligibility of applicants.

13 (5) Select qualified applicants.

14 (6) Determine annually the maximum higher education award
15 (IC 21-12-3) and freedom of choice award (IC 21-12-4), subject
16 to approval by the budget agency with review by the budget
17 committee.



(7) Determine the respective amounts of, and award, the appropriate higher education awards, grants, and scholarships.

(8) Determine eligibility for, and award, annual renewals of higher education awards, grants, and scholarships.

(9) Act as the designated state agency for participation in any federal program for reinsurance of student loans.

(10) Receive federal funds made available to the commission for awards, grants, and scholarships, and disburse these funds in the manner prescribed by federal law.

(11) One (1) time every year, submit a report to the legislative council that provides data and statistical information regarding the number of individuals who received assistance under IC 21-12-6 and IC 21-12-6.5. The report made to the legislative council must be in an electronic format under IC 5-14-6.

(12) One (1) time every year, submit a report to the budget committee that provides data and statistical information regarding the number of individuals who received assistance under IC 21-12, IC 21-13, and IC 21-14.

(13) Administer and determine the eligibility of applicants for, and award amounts under, the teacher loan repayment program established under IC 21-13-10.

(14) Administer and determine the eligibility of applicants for and award amounts under the teacher academy grant program established under IC 21-48-6.

SECTION 2. IC 21-48 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

ARTICLE 48. TEACHER ACADEMY

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Academy" refers to a teacher academy established within a state educational institution as set forth in this article.

Sec. 3. "Academy agreement" means an agreement between a state educational institution and the commission under which the state educational institution establishes and operates a teacher academy in accordance with this article.

Sec. 4. "Fund" means the teacher academy fund established by IC 21-48-7-1.

Sec. 5. "Offeror" means a state educational institution that has submitted a proposal for an academy agreement under this article.

Sec. 6. "Operator" means a state educational institution that has



1 entered into an academy agreement with the commission under
2 this article.

3 Sec. 7. "Request for proposals" means all materials and
4 documents prepared by or on behalf of the commission to solicit
5 proposals from offerors to enter into an academy agreement.

6 Chapter 2. Authority to Enter Into Academy Agreements

7 Sec. 1. Subject to this article, the commission and a state
8 educational institution may enter into an academy agreement with
9 respect to an academy.

10 Sec. 2. Subject to this article, an academy agreement may
11 provide that the state educational institution is partially or entirely
12 responsible for the establishment and operation of the academy.

13 Chapter 3. Selection of a State Educational Institution

14 Sec. 1. Before entering into an academy agreement, the
15 commission must issue a request for proposals as set forth in this
16 chapter. A request for proposals for an academy may be issued by
17 the commission in one (1) or more phases.

18 Sec. 2. A request for proposals issued by the commission must
19 include the following:

20 (1) The factors or criteria that will be used in evaluating the
21 proposals, including the following:

22 (A) The estimated annual cost to establish and operate an
23 academy within the state educational institution.

24 (B) The estimated annual cost of tuition and fees to attend
25 the academy.

26 (C) Any other factors or criteria established by the
27 commission.

28 (2) A statement concerning whether discussions may be
29 conducted with the offerors for the purpose of clarification to
30 assure full understanding of and responsiveness to the
31 solicitation requirements.

32 (3) A statement concerning any other information that the
33 commission may consider in evaluating the proposals.

34 (4) A statement that, except as otherwise provided by law or
35 under order from a court with jurisdiction, the commission
36 may not disclose the contents of proposals during:

37 (A) discussions; or

38 (B) negotiations;

39 with eligible offerors to other eligible offerors.

40 Sec. 3. Notice of a request for proposals shall be given:

41 (1) to each state educational institution; and

42 (2) by publication in accordance with IC 5-3-1.



1 **Sec. 4.** As provided in a request for proposals, discussions may
2 be conducted with the offerors for the purpose of clarification to
3 assure full understanding of and responsiveness to the solicitation
4 requirements.

5 **Sec. 5.** Eligible offerors must be accorded fair and equal
6 treatment with respect to any opportunity for discussion and
7 revision of proposals.

8 **Sec. 6. (a)** The commission may not disclose the contents of
9 proposals during discussions or negotiations with eligible offerors.

10 **(b)** The commission may, in accordance with IC 5-14-3, treat as
11 confidential all records relating to discussions or negotiations
12 between the commission and eligible offerors if those records are
13 created while discussions or negotiations are in progress.

14 **(c)** Notwithstanding subsections (a) and (b), and with the
15 exception of parts of the selected offer that are confidential under
16 IC 5-14-3, the terms of the selected offer negotiated under this
17 article shall be available for inspection and copying under
18 IC 5-14-3 after negotiations with the offerors have been completed.

19 **(d)** When disclosing the terms of the selected offer under
20 subsection (c), the commission shall certify that the disclosed
21 information accurately and completely represents the terms of the
22 selected offer.

23 **Sec. 7. (a)** The commission shall negotiate with one (1) or more
24 responsible offerors who submit proposals that are determined to
25 be reasonably capable of being selected for an academy agreement
26 and may seek to obtain a final offer from one (1) or more
27 responsible offerors.

28 **(b)** The commission shall establish the criteria for determining
29 whether one (1) responsible offeror is reasonably capable of being
30 selected for an academy agreement.

31 **(c)** The criteria set forth in subsection (b) also apply to the
32 approval by the commission of any successor or replacement
33 operator under the academy agreement after the execution of the
34 academy agreement under this article.

35 **Sec. 8.** After the final offers from responsible offerors have been
36 negotiated under section 7 of this chapter, the commission shall:

- 37 **(1)** make a preliminary selection of an offeror as the selected
38 state educational institution for the academy, whose final
39 offer is referred to in this article as the "selected offer"; or
40 **(2)** terminate the request for proposals process.

41 **Sec. 9. (a)** After the procedures required in this chapter have
42 been completed, the commission shall make a determination as to



whether the offeror that submitted the selected offer should be designated as the operator for the academy.

(b) The commission shall publish notice of the designation of the operator for the academy one (1) time, in accordance with IC 5-3-1.

(c) After the designation of the operator for the academy, the commission may execute the academy agreement with that operator.

Sec. 10. The commission shall disclose the contents of all proposals, except the parts of the proposals that may be treated as confidential under IC 5-14-3, when either:

(1) the request for proposal process is terminated under section 8 of this chapter; or

(2) the academy agreement has been executed.

Chapter 4. Terms and Conditions of Academy Agreements

Sec. 1. (a) Before establishing or operating an academy, the state educational institution that has been selected to establish and operate the academy shall enter into an academy agreement with the commission setting forth the rights and duties of the operator.

(b) The commission may be a party to only one (1) academy agreement at any given time. The commission may enter into an academy agreement with only one (1) state educational institution. However, if the term of an academy agreement with a state educational institution expires or the agreement is otherwise terminated, the commission may enter into an academy agreement with another state educational institution in accordance with this article.

Sec. 2. An academy agreement entered into under this article must provide for the following:

(1) The original term of the academy agreement, which may not exceed two (2) years.

(2) Not more than:

(A) one hundred (100) new students may be enrolled in the academy each school year; and

(B) a total of four hundred (400) students may be enrolled in the academy at any given time.

(3) The academy program must meet the standards and curriculum established by the commission under IC 21-48-5-1.

(4) Monitoring of the operator's practices by the commission and the taking of actions by the commission that it considers appropriate to ensure that the academy meets the requirements set forth under this article and requirements



established by the commission.

(5) Compliance with applicable state and federal laws and local ordinances.

(6) Grounds for termination of the academy agreement by the commission or the operator.

(7) The date of termination of the operator's authority and duties under this article.

(8) Procedures for amendment of the academy agreement.

(9) An expedited method for resolving disputes between or among the parties to the academy agreement.

(10) The annual costs associated with the development and operation of the academy.

(11) The amount the operator will receive from the teacher academy fund established under IC 21-48-7-1 to fund the costs associated with establishing and operating the academy.

(12) The tuition and fee rates to attend the academy.

Sec. 3. In addition to the requirements of section 2 of this chapter, an academy agreement may include additional provisions concerning the following:

(1) Review and approval by the commission of the operator's plans for the establishment and operation of the academy.

(2) Inspection of the academy by the commission.

(3) Filing by the operator, on a periodic basis, of appropriate financial statements in a form acceptable to the commission.

(4) Payments to the operator. These payments may consist of one (1) or more of the following:

(A) Payments made to the operator by the commission.

(B) Other sources of payment or revenue to the operator, if any.

(5) Arbitration or other dispute resolution mechanisms or remedies for the settlement of claims and other disputes arising under the academy agreement.

(6) Payment of money to either party upon default or delay, or upon termination of the academy agreement, with the payments to be used:

(A) in the form of liquidated damages to compensate the operator for demonstrated unamortized costs, lost profits, or other amounts as provided in the agreement;

(B) to retire or refinance indebtedness related to the academy or the academy agreement; or

(C) for any other purpose mutually agreeable to the operator and the commission.



(7) Indemnification of the operator by the commission under conditions specified in the agreement.

(8) Assignment, subcontracting, or other delegation of responsibilities of the operator under the agreement to third parties, including other state educational institutions or private entities.

(9) Other lawful terms and conditions to which the operator and the commission mutually agree.

Chapter 5. Establishment and Operation of the Teacher Academy

Sec. 1. The commission shall, in consultation with the department of education, establish the standards and curriculum requirements for the academy.

Sec. 2. An academy developed and operated under this article must comply with:

- (1) the commission's standards and curriculum;
- (2) the terms of the academy agreement; and
- (3) any other applicable state or federal laws and regulations.

Chapter 6. Teacher Academy Grant Program

Sec. 1. The commission shall receive and consider applications for a teacher academy grant under this chapter.

Sec. 2. To qualify for a grant under this chapter, an applicant must:

- (1) apply for a grant on a form supplied by the commission;
- (2) have applied and been accepted for enrollment into an academy established under this article;
- (3) agree in writing to teach in a public school in Indiana for at least four (4) consecutive years after graduating from the academy; and
- (4) meet any other criteria established by the commission.

Sec. 3. The commission shall consider each application and determine the eligibility of the applicant for the grant.

Sec. 4. Before receiving a grant under this chapter, the applicant must enter into a contract with the commission agreeing to:

- (1) the terms and conditions described in section 2(3) of this chapter; and
- (2) any other terms and conditions established by the commission.

Sec. 5. If an applicant meets the requirements under this chapter, the commission may approve awarding a grant to the applicant:

- (1) in an amount equal to the cost of tuition and fees to attend



the teacher academy; and

(2) for each academic term in which the applicant is enrolled in the teacher academy.

Sec. 6. An individual who:

(1) received a grant under this chapter;

(2) is no longer enrolled in the academy; and

(3) did not receive a baccalaureate degree from the academy; shall repay the amount of the grant awarded to the individual under this chapter in a timely fashion, as determined by the commission.

Sec. 7. If an individual:

(1) receives a grant under this chapter; and

(2) fails to teach in a public school in Indiana for at least four

(4) consecutive years as described in section 2(3) of this chapter;

the individual shall repay the amount of the grant awarded to the individual under this chapter in a timely fashion, as determined by the commission.

Sec. 8. A teacher who receives a grant under this chapter is not required to teach at the same public school for four (4) consecutive years.

Sec. 9. The commission shall administer the grant as a financial aid award.

Sec. 10. (a) Subject to subsection (c), the amount of a grant awarded under this chapter may not be reduced because the student receives other scholarships or forms of financial aid.

(b) Except as otherwise provided under law and subject to subsection (c), the amount of any other state financial aid received by a student may not be reduced because the student receives a grant under this chapter.

(c) The total amount of scholarships or other financial aid a student receives may not exceed the total amount of expenses to attend the academy, including tuition, room, board, and other fees.

Sec. 11. An applicant is eligible to receive a grant under this chapter only if an appropriation has been made to carry out the specific purposes of this article.

Chapter 7. Teacher Academy Fund

Sec. 1. (a) The teacher academy fund is established to provide funds:

(1) to a state educational institution that has entered into an academy agreement under IC 21-48-4 for the costs of establishing and operating an academy; and



(2) for teacher academy grants awarded to applicants under IC 21-48-6.

(b) The fund consists of the following:

(1) Appropriations made by the general assembly.

(2) Gifts, grants, devises, or bequests made to the commission to achieve the purposes of the fund.

(c) The commission shall administer the fund.

(d) The expenses of administering the fund shall be paid from money in the fund.

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains available to be used for the purpose of this article.

Sec. 2. The commission shall maintain complete and accurate records in implementing the fund, including records of the following:

(1) The receipt, disbursement, and uses of money from the fund.

(2) The number of applications for the teacher academy grant under IC 21-48-6.

(3) The number and amount of teacher academy grants that have been provided by the commission.

(4) Any other information collected concerning the fund or teacher academy grants awarded under this article.

Sec. 3. The commission may adopt rules under IC 4-22-2 necessary to carry out this article.

